January 2012

USDA
Lemhi/North Custer County FSA
945 Riverfront Dr.
Salmon, ID 83467
208-756-4262 phone
208-756-4705 fax
www.fsa.usda.gov/id

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee

Larry Whittier
Ryan Hughes
Kimberly McConnaghy
Kurt Bird

Lemhi/North Custer County Staff

Tony Potter, CED
Rhonda Tewalt, PT
Dustin Carter, FLM
Curtis Warner, FLM

For farm loan questions: Lemhi County producers call the Rexburg office at 1-866-805-9707

Custer County producers call the Blackfoot office at 1-208-785-2090

County Committee Election Results

Congratulations to Larry Whittier. Larry was re-elected to represent farmers from May/Ellis area on the county committee. Larry was elected to his 2nd consecutive term.

FSA appreciates all of the eligible voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members will hold their organizational meeting in January to determine who will serve as the county committee chairman and vice-chairman.

2012 DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment will begin Jan. 23, 2012 and will end June 1, 2012. IMPORTANT REMINDERS:

1) All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.

2) Changes on the farm after enrolling June 1st in DCP/ACRE **must** be reported to your local FSA office. This includes: Ownership changes: Producer changes (Individuals and Entities); Change in crop shares arrangements.

Important Note: Changes cannot be made after Sept. 30, 2012.

Get GovDelivery – Instant News, Updates

Farm Service Agency offices are adopting an instant delivery, electronic option. Producers can now enroll in the new GovDelivery system which will provide notices, newsletters and reminders via email, rather than costly paper copies delivered through the mail.

FSA, like many other organizations, is working smarter and more efficiently. Conversion to electronic notifications via email helps conserve resources and save taxpayer dollars.

If you received this newsletter via GovDelivery, we already have an email address for you. If you want to change this address, please contact our office.

County Committee ballots will continue to be mailed to all eligible producers. Subscribe now to receive your free e-mail updates instantly by going to: www.fsa.usda.gov/subscribe.

Supplemental Revenue Assistance Program (SURE)

The sign-up for recovery payment for 2010 losses under the Supplemental Revenue Assistance Program (SURE) runs through **June 1, 2012.**

SURE provides benefits for farm revenue losses due to natural disasters and is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.
- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date.

Production records for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. NAP Losses must be reported within 15 days of disaster event or when loss becomes apparent.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible as collateral for the loan — even if you regain beneficial interest.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling for full payment of the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Farming Operation Changes

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

Payment Limitations

Several FSA programs are subject to payment limitation provisions. Violation of any of these provisions may subject the producer to loss of payment and possible prosecution.

The following are current FSA program payment limitations:

PROGRAM	LIMIT
DCP Program	$40,000
DCP CC / ACRE	$65,000
CRP	$50,000
SURE. LIP, LFP, ELAP	$100,000
NAP	$100,000
LDP, Market Gain	No Limit

Payment Eligibility

Note that specific eligibility criteria exist for the DCP and ACRE programs. Contact your nearest county FSA Office for further information regarding these and other provisions: 1) actively engaged, 2) cash-rent tenant rule and 3) foreign persons.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

IRS Form 1099-G

Producers annually receive their CCC-1099-G forms detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on the CCC-1099-G form is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options your can pursue if you disagree.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

Blueprint for Stronger Service

For the long-term vitality of rural America, USDA is taking a close look at the way it does business. We must tighten our belt, just as many Americans are doing the same with their household budgets.

Due to many factors, including lower funding and staffing levels reflected in recent budgets passed by Congress, USDA must address its administrative costs, including its facility, office and lab operations.

Due mostly to attrition, staffing levels in Idaho have fallen significantly and it is not possible to keep every office open and still maintain the level of customer service our producers expect and deserve.

Using guidelines established in the 2008 Farm Bill a proposal to consolidate Owyhee, Lincoln, Payette and Clearwater offices has been brought forward. Their employees will transfer to nearby offices and USDA will hold public meetings in the next 30 days to discuss the proposal. Affected producers will be able to choose where they prefer to conduct business.

In the past few decades, American agriculture has become the second most productive sector of

Blueprint *continued*

our economy, thanks to farmers, ranchers and growers adopting technology, reducing their debt, and effectively managing risk.

USDA is adopting these same lessons from the farm as a Blueprint for Stronger Service.

This Blueprint aims to build a modern and efficient service organization that is closely timed with technological innovations - and better suited to respond to 21st century agricultural challenges.

Average Adjusted Gross Income (AGI) Provisions

For 2012, there are now four qualifying levels for AGI provisions as follows:

1) $500,000 Nonfarm Income – if a person or legal entity has AGI nonfarm income that exceeds, $500,000, the person or legal entity is ineligible for all commodity program payments and benefits.

2) $750,000 Farm Income – if a person or legal entity has AGI farm income that exceeds $750,000, the person or legal entity is ineligible for DCP direct payments only.

3) $1,000,000 Nonfarm Income – if a person or legal entity has AGI nonfarm income that exceeds $1,000,000, the person or legal entity is ineligible for all conservation program benefits unless at least 66.66% of total AGI is average adjusted gross farm income.

4) $1,000,000 Total Farm and Nonfarm Income – if a person or legal entity has AGI farm and nonfarm income that exceeds $1,000,000, the person or legal entity is ineligible for 2012 direct payments under DCP.

The new one-page form CCC 931 must be completed to authorize the AGI certification process in conjunction with the IRS. The new form combines CCC-926, CCC-927 and CCC-928. The average AGI is based on average adjusted gross income for the three taxable years preceding the most immediately preceding complete taxable year. For the 2012 program year, the 3 taxable years for AGI would include 2008, 2009 and 2010.

Direct Attribution

For 2009 and subsequent crop years, payments will be limited by direct attribution rather than by "person." Under direct attribution, payments made to individuals remain unchanged. However, payments to legal entities such as corporations, limited partnerships, limited liability corporations and other similar entities are limited by attributing the payment to an individual based on his or her direct and indirect interest in the entity.

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United States Department of Agriculture
Farm Service Agency

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, feel free to contact your local FSA office.

How to Sign Up for GovDelivery – Free Service / Quicker Information

Producers, owners and others interested in keeping up to date with important FSA program deadlines and information are strongly encouraged to sign up for GovDelivery. This new instant communication system allows newsletters, deadline reminders and bulletins to be sent right to your email address. Here are the simple steps to sign up.

1) To subscribe to updates, go to www.fsa.usda.gov
2) On the right side of the page under STAY CONNECTED, enter your email address in the box SIGN UP FOR UPDATES.
3) Click GO.
4) Under SUBSCRIPTION TOPICS, click the plus symbol (+) next to UPDATES BY STATE AND COUNTY.
5) Click the plus symbol (+) next to Idaho.
6) Click the check box next to "IDAHO STATE OFFICE NEWSLETTER AND UPDATES."
7) Click the check box next to the COUNTY OR COUNTIES you wish to subscribe to; only subscribe to one county.
8) Scroll to the bottom of the page and click SUBMIT. A subscription notification will be sent to your email address.
9) If you do not receive an email notification, check your junk mail folder and mark the email as "not junk" to ensure proper delivery of future emails.

Selected Interest Rates for JANUARY 2012	
Farm Operating - Direct	1.50%
Farm Ownership - Direct	3.50%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	1.50%
Farm Storage Facility (7-year)	1.375%
Commodity Loans	1.125%

DATES to Remember	
Jan. 23-June 1	2012 DCP/ACRE sign up
Jan. 30	Sign-up ends Jan. 30, 2012, for LFP, LIP, and ELAP.
Jan 31	2011 LDP Unshorn Lamb Pelts deadline
Mar 15	NAP sales closing date for Spring planted crops
June 1	2010 SURE sign up ends

USDA is an equal opportunity provider, lender and employer.